



May 10, 2001



Whitney Ricks, Chief  
Research and Promotion Staff  
AMS, USDA, Stop 0224  
1400 Independence Avenue, SW  
Room 2641 – S South Building  
Washington, D.C. 20250-0224

Re: Cotton Research and Promotion Program; Federal Register Notice  
Volume 66, No. 58, CN-01-002

Dear Mr. Ricks

This letter is written to you for the purpose of commenting on the notice recently published by your department seeking input from individuals and companies relative to the need for a referendum to determine whether producers and importers favor continuation of amendments to the Cotton Research and Promotion Order. We offer the following comments.

Staplcotn is the oldest and largest cooperative cotton marketing association in the United States. During the 2000 crop year, Staplcotn sold over 3.2 million bales of U.S. produced cotton to mills in the United States and foreign countries and has paid, for its member, \$7,920,807.28 this year in Crop Research and Promotion assessments. Given the number of cotton producers we represent and the volume of cotton we handle in our ten state service area, we feel that we are in a unique position to comment on the continued need for the cotton promotion program.

When Congress passed the Research and Promotion Act of 1966, it was done at the insistence of cotton farmers who had watched their market share drop from 78% in 1960 to 34% by 1975. America's cotton farmers found themselves at a major disadvantage to the big producers of synthetic material in that the farmers had no organized means of supporting and promoting cotton unlike their synthetic producer counterparts. Only through the passage of the Research and Promotion Act of 1966 and its funding were cotton farmers able to stop the serious erosion in their market.

We at Staplcotn feel that the competition between cotton and synthetics is as serious today as it was thirty-five years ago. Demographic changes are occurring, with "baby boomers" being replaced by new generations of consumers who shop

**Staple Cotton Cooperative Association**

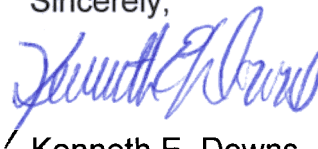
P.O. Box 547 • Greenwood, Mississippi 38935-0547 • Phone 662 453-6231  
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differently, react in different ways to advertising, and have a different awareness of and loyalty to fibers. Lifestyle changes are also affecting the way people dress at work and for leisure activities. All of these factors have an impact on the overall strategy for improving the demand for cotton. The Cotton Research and Promotion Act remains the most effective means for cotton producers to maintain or increase their market share. For this reason, Staplcotn favors the continuation of the Research and Promotion Act and would recommend that the Secretary of Agriculture find that a referendum on the continuation of this program is unwarranted.

Thank you in advance for your time in this matter. If we can be of assistance to you or your staff, please feel free to call upon us.

Sincerely,



Kenneth E. Downs  
General Counsel

cc: Woods Eastland